

House Republican Press Release

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Press Office: 860-240-8700

**LEGISLATURE APPROVES BILL TO GUARANTEE TAX  
EXEMPTION FOR LAND TRUSTS**



*Legislation Co-Sponsored By Rep. O'Neill Addresses  
Recent Lawsuit*

HARTFORD – On Wednesday, May 7, The House of Representatives gave final legislative approval to legislation co-sponsored by State Rep. Arthur J. O'Neill, R-Southbury, that would grant tax-exempt status to land trusts throughout the state. House Bill 5873 now goes to Governor M. Jodi Rell for final approval.

Rep. O'Neill is also sending a letter to Governor Rell urging her to sign the legislation into law.

The legislation addresses issues raised by a March 2008 Bridgeport Superior Court ruling that impacted the Southbury Land Trust. In the *Aspetuck Land Trust, Inc. v. City of Bridgeport* case, the court ruled that the land trust was liable for property taxes for the 2005 tax year on certain land it owns because it did not conduct any charitable activities with respect to the property during that year.

The court found that land preservation can be considered a tax-exempt charitable use of property only if it is “coupled with some minimal educational or other charitable activity on or near the location.” The ruling effectively subjects land trusts throughout the state to property taxes for the first time, said Rep. O'Neill.

“As a legislator, I have worked hard to obtain land or funding for local land trusts for open space preservation and was very disheartened to learn of the Superior Court’s decision that land trusts were not entitled to a property tax exemption, bearing in mind many land trusts would be hard pressed to pay for taxes on their holdings,” said Rep. O'Neill. “This legislation guarantees that the lands that have been so painstakingly preserved for the benefit of all Connecticut’s citizens today will continue to be preserved for generations to come.”